



0000069383

The CommLaw Group

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April 5, 2007

Via Overnight Courier

Docket Control Center
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED

APR 06 2007

DOCKETED BY	NR
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RECEIVED
2007 APR -6 P 4:09
AZ CORP COMMISSION
DOCKET CONTROL

Re: Docket No. T-02543A-07-0147
Response to Letter of Insufficiency and First Set of Data Requests

Ladies and Gentlemen:

On behalf of Extelcom, Inc. d/b/a Express Tel ("Express Tel"), UCN, Inc. ("UCN"), provides the following responses to Staff's Letter of Insufficiency and First Set of Data Requests.

- Please provide the reason(s) for the proposed discontinuance of services or abandonment of service areas.**

On May 23, 2005, UCN, Inc. ("UCN") and Extelcom, Inc., d/b/a Express Tel ("Express Tel")(together, "the Parties") filed a notification with the Arizona Corporation Commission explaining that the Parties entered into an Asset Purchase Agreement ("APA") whereby Express Tel agreed to sell and UCN agreed to purchase Express Tel's customer base, including Arizona customers. See Attachment 1 (Date-Stamped Copy of Notification); see also Exhibit 4, included in UCN's March 8, 2007 Notice in the above-captioned docket.

On July 1, 2005, following receipt of required regulatory approvals, the Parties closed their transaction. Wherefore, as of July 1, 2005, all of Express Tel's customers, including Arizona customers, were transferred to UCN. Since July 1, 2005, UCN has provided telecommunications services to the transferred customers. Likewise, Express Tel ceased providing telecommunications services to Arizona customers on the same date.

The filing in the above-captioned docket is not intended to seek authorization to discontinue or abandon services which are presently provided by Express Tel. Indeed, Express

Tel ceased providing telecommunications services as of July 1, 2005 when all Arizona customers were transferred to UCN. The purpose of the filing in the above-captioned docket is to cancel Express Tel's certificate of authority and tariffs, which remain on record at the Commission despite the July 1, 2005 transfer of its customer base to UCN.

Express Tel is no longer conducting any telecommunications business in the state. Pursuant to the APA, UCN assumed responsibility for Express Tel's telecommunications authorizations. UCN mistakenly believed that Express Tel's licenses and tariffs would be cancelled upon closing the transaction on July 1, 2005. However, UCN belatedly learned that Express Tel's certificate of authorization remained in active status. Upon learning of the active status of Express Tel's license, UCN filed the notice in the above-captioned docket to ensure the Commission's records accurately reflected current status of the company.

- 2. Please provide a copy of the legal notice of the application to cancel telecommunications services in all counties affected by the application. Counties affected are those counties where the applicant is certified to provide telecommunications services. Refer to the Arizona Administrative Code ("A.A.C.") R14-2-1107.**

See response to Data Request 1, above. See also Attachment 1 (Date-Stamped Copy of Notification) and Attachment B to Exhibit 4, included in UCN's March 8, 2007 Notice in the above-captioned docket.

- 3. Does Extelcom currently have any customers in Arizona? If so, please indicate if the customers were notified of the applicant's discontinuance of services.**

No. See response to Data Request 1.

- 4. Please provide a copy of the customer notification sent, if applicable, and indicate the date the notice was sent. If no notice was sent, please explain why.**

See Attachment 2. Customer notices were included in customer invoices. Customer invoices are rendered on different dates during May 2005, depending on the individual consumer's billing cycle. For instance, if an Express Tel customer's monthly service invoice was rendered on May 15th, the customer was provided a copy of the Notice (in Attachment 2) in the May 15th invoice.

- 5. Please state whether Extelcom has ever collected advances, deposits and/or prepayments. If so, please provide the amount of the advances, deposits and/or prepayments that have been returned to customers in Arizona whose services are being discontinued. Indicate the outstanding amount of advances, deposits and/or prepayments held by the company from Arizona customers.**

No. To the best of UCN's knowledge, Express Tel did not collect any advances, deposits or prepayments. Pursuant to the APA, UCN acquired all of Express Tel's customer accounts. Based on UCN's review of the acquired accounts, UCN can confirm that Express Tel did not transfer any customers from whom advances, deposits or prepayments were collected.

6. If applicable, indicate a plan for the refund of deposits collected pursuant to subsection A.C.C. R14-2-503 (B).

Not applicable.

7. Was a list of all alternative carriers providing the same or similar service within the affected geographic area provided to the customers whose service was being discontinued or abandoned? If a list was not provided, please explain.

See Response to Data Request 1, above. Express Tel did not abandon or discontinue services. Express Tel transferred all customers to UCN. Therefore, the abandonment/discontinuance requirements, including providing of notice of alternate providers, are inapplicable.

8. Please indicate if Extelcom's performance bond, if applicable, is valid. Indicate the total amount of the bond.

UCN is not aware of any information pertaining to Express Tel's surety bond. UCN did not acquire or seek the transfer of Express Tel's surety bond, filed with the Commission. UCN operates in the state of Arizona pursuant to surety bonds secured on its own behalf and in its own name.

9. Please indicate the number of residential and business customers Extelcom provided service in Arizona. Also, provide a breakdown of the number of customers receiving telecommunications services by type of service. How many of Extelcom's customers in Arizona receive resold long distance services.

At the time UCN acquired its customer base, Express Tel provided service to:

Business customers - 2,321

Residential customers - 264

Express Tel exclusively provided intrastate long distance services to residential customers. Express Tel provided both intrastate long distance service and private line service to business customers.

10. Please indicate if there are any affiliates of the Applicant currently offering telecommunications services in Arizona. If yes, are the telecommunications services provided by the Applicant similar to those offered by the Applicant's affiliates?

No.

11. Please indicate if customers have been transferred to other telecommunications carriers. Indicate the telecommunications carriers the customers were transferred to and the number of customers in Arizona transferred to each carrier.

See response to Data Request 1, above.

- 12. Please indicate the state(s) the Applicant currently operates in to provide telecommunications services to customers in Arizona.**

None. Applicant, Express Tel, is no longer providing telecommunications services in any jurisdiction.

- 13. Does the Applicant have any employees in Arizona? If so, please list the number of employees by type of category (i.e., management, technical, and customer service).**

No.

- 14. Does the Applicant have any facilities in Arizona? If so, please list the number of facilities, a description of each facility, and the location of each facility.**

No. Applicant, Express Tel, provided resold services only.

- 15. Did the Applicant have any service contracts with customers? If so, please describe how the service contracts were honored or terminated with the customers.**

Yes. All Express Tel contracts were properly assigned to UCN as part of the APA pursuant to contractual clauses permitting such assignment. All assigned contracts were honored by UCN.

An original plus thirteen (13) copies of this response are enclosed herewith. An additional copy is also enclosed, to be date-stamped and returned in the postage-prepaid envelope provided.

Respectfully submitted,



Jonathan S. Marashlian
Regulatory Counsel

cc: Candrea Allen, Executive Consultant I

ATTACHMENT 1

Telecommunications
E Commerce
Technology
Corporate & Finance
Trademarks
Proprietary Rights
Complex Litigation
General Business Law

The Helein Law Group, LLLP

8180 Greensboro Drive
Suite 700
McLean, VA 22102

(703) 714-1300 (Telephone)
(703) 714-1330 (Facsimile)
mail@thlglaw.com

Writer's Direct Dial Number

(703) 714-1313

STAMP & RETURN
RECEIVED

2005 MAY 24 P 3:04

AZ CORP COMMISSION
DOCUMENT CONTROL

Writer's E-mail Address

ism@thlglaw.com

May 23, 2005

VIA OVERNIGHT DELIVERY

Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

**Re: Notification of UCN, Inc. and Extelcom, Inc., d/b/a Express Tel
Regarding Proposed Customer Base Transfer**

Ladies and Gentlemen:

UCN, Inc. ("UCN" or "Transferee") and Extelcom, Inc., d/b/a Express Tel ("Express Tel") (together, the "Parties"), through undersigned counsel hereby notify the Arizona Corporation Commission ("Commission") of a proposed transaction whereby Express Tel agrees to sell and UCN agrees to purchase certain assets from Express Tel, including certain long distance customer accounts ("Customer Base").

As set forth in greater detail below, UCN and Express Tel have entered into an agreement whereby UCN will purchase Express Tel's Customer Base. Closing of the transaction is subject to the Parties' obtaining regulatory approvals, where required. The transaction described herein will ensure that Express Tel's current Arizona intrastate long distance customers continue to receive uninterrupted service pursuant to their current rates, terms and conditions of service while at the same time enabling them to take advantage of the full suite of products and services available to UCN's other business and residential customers. The Parties emphasize that the transition of Express Tel's Customer Base to UCN will be seamless and transparent. Following the transfer of customer accounts from Express Tel to UCN, UCN will continue to provide the same long distance services under the same rates, terms and conditions of service as those customers currently receive from Express Tel.

Based upon a review of Arizona law, it is the understanding of the Parties that Commission approval is not required to complete the transaction described herein. The Parties therefore submit this letter for informational purposes to notify the Commission of the proposed asset transfer and the Parties' intent to consummate their transaction as

soon as possible, but no sooner than thirty (30) days after customers are provided notice of the transaction.

Additional information is set forth below.

Description of the Parties

A. UCN, Inc.

UCN, Inc. is a Delaware corporation with its principal place of business located at 14870 South Pony Express Drive, Bluffdale, Utah 84065. UCN is a publicly traded corporation (OTC Bulletin Board: UCNN.OB) providing both commercial and residential customers discounted long distance telecommunications services. UCN provides services on a resold basis, offering primarily 1+ equal access, calling cards and toll free access calling to customers throughout the contiguous United States and Hawaii. In Arizona, UCN is certified to provide interexchange telecommunications services. *See*, T-03538A.

B. Extelcom, Inc. d/b/a Express Tel

Extelcom, Inc. d/b/a Express Tel is a Utah corporation with its principal offices located at 324 South State Street, Suite 125, Salt Lake City, Utah 84111. Express Tel provides resold switched and dedicated intrastate interLATA, interstate and international telecommunications services on a common carrier basis to business and residential customers in California, Nevada and Arizona. Specifically, Express Tel provides 1+ direct dial, dedicated private line, toll free 800/888/877/866, and directory assistance services. In Arizona, Express Tel is certified to provide interexchange telecommunications services. *See*, T-02543A.

Contact Information

Questions or inquiries concerning this notification may be directed to:

For UCN:

Kimm Partridge
UCN, Inc.
14870 South Pony Express Road
Bluffdale, Utah 84065
(866) 541-0000 (Tel)
(866) 800-0007 (Fax)
Email: kimm.partridge@ucn.net

with a copy to:

Jonathan S. Marashlian
The Helein Law Group, LLLP
8180 Greensboro Drive, Suite 700
McLean, Virginia 22102
(703) 714-1313 (Tel)
(703) 714-1330 (Fax)
Email: jsm@thlglaw.com

For Express Tel:

Stanley K. Stoll
Blackburn & Stoll, LC
257 East 200 South, Suite 800
Salt Lake City, Utah 84111
(801) 521-7900 (Tel)
Email: ssoll@blackburn-stoll.com

Description of the Transaction

UCN will acquire Express Tel's long distance customers ("Customer Base") located in Arizona pursuant to an Asset Purchase Agreement ("APA"). UCN will manage the Customer Base on behalf of Express Tel pursuant to a Management Agreement executed simultaneously with the APA until closing, which will occur after customers have received at least 30 days' notice of the transaction and all regulatory approvals have been obtained.

As a result of the transaction, the transferred Customer Base will not experience any changes to the rates and terms and conditions of service currently being provided by Express Tel. The Customer Base will not be responsible for any carrier change charges and, unless subject to a term contract, will have the opportunity to select another carrier, if they are not satisfied with UCN.

In accordance with the rules of the Federal Communications Commission, the Parties have sent written notice to affected customers of Express Tel informing them of the proposed transfer of their accounts to UCN. Attached hereto at Exhibit 1 is a copy of the FCC filing and customer notice.

Public Interest Considerations

The proposed transaction will serve the public interest by allowing UCN to become the provider for Express Tel's long distance customers. As described above, after the transfer to UCN the Customer Base will continue to receive the same rates and terms and conditions of service currently provided by Express Tel. UCN's acquisition gives transferred Customers the best of both worlds. Transferred customers will continue to receive the same excellent customer support and reliable long distance service they have grown accustomed to with Express Tel. However, transferred Commercial Account customers will now have access to a new set of advanced contact handling services that are delivered over existing dedicated or switched lines.

May 23, 2005

Page 4

The public interest is also served, because, as explained above, the Parties have provided written notice of the proposed transaction to assure that affected Express Tel customers will understand how the proposed transfer will affect them.

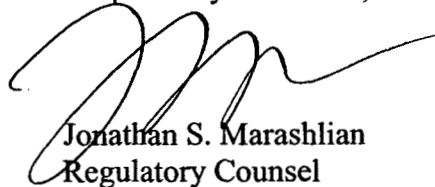
Accordingly, the Parties respectfully submit that the proposed transaction will serve the public interest.

Conclusion

Rapid completion of the transaction is an important factor in order to allow UCN to fully incorporate the transferred Customer Base into its operations. Accordingly, the Parties respectfully notify the Commission of their intent to consummate this transaction as soon as possible.

An original and thirteen (13) copies of this letter are enclosed for filing. Kindly date-stamp and return the enclosed extra copy of this filing in the postage-paid envelope provided.

Respectfully submitted,



Jonathan S. Marashlian
Regulatory Counsel

cc (via e-mail):

Stanley K. Stoll (Express Tel)

Kimm Partridge (UCN)

EXHIBIT 1

FCC Filing and Customer Notice

Telecommunications
E Commerce
Technology
Corporate & Finance
Trademarks
Proprietary Rights
Complex Litigation
General Business Law

The Helein Law Group, LLLP

8180 Greensboro Drive
Suite 700
McLean, VA 22102

(703) 714-1300 (Telephone)
(703) 714-1330 (Facsimile)
mail@thlglaw.com

STAMP & RETURN

Writer's Direct Dial Number

(703) 714-1313

Writer's E-mail Address

jsm@thlglaw.com

May 18, 2005

HAND DELIVERED VIA COURIER

RECEIVED

MAY 18 2005

Federal Communications Commission
Office of Secretary

Secretary
Federal Communications Commission
Office of the Secretary
445-12th Street, S.W.
Room tw-204B
Washington, D.C. 20554

**Re: Notice of Proposed Customer Base Transfer and Certification of
Compliance With FCC Rules – CC Docket No. 00-257**

Dear Sir/Madam:

Enclosed are an original and four (4) copies plus two (2) additional public copies of UCN, Inc.'s ("UCN's") Notice of Proposed Customer Base Transfer and Certification of Compliance with the Federal Communications Commission's ("FCC's") rules prescribed in CC Docket No. 00-257 and set forth in C.F.R. § 64.1120(e)(1).

In compliance with C.F.R. § 64.1120, UCN submits the following:

1. Names of Parties Involved in Transaction:

Acquiring Carrier:

UCN, Inc.
14870 South Pony Express Road
Bluffdale, Utah 84065
FRN: 0004977997

Transferring Carrier(s):

Tel America of Salt Lake City, Inc.
324 South State Street, Suite 125
Salt Lake City, Utah 84111
FRN: 0004322749

Extelcom, Inc., d/b/a Express Tel
324 South State Street, Suite 125
Salt Lake City, Utah 84111
FRN: 0004322764

2. Types of Telecommunications Services Provided:

1+ switched voice long distance, dedicated voice long distance,
800/888/877 toll-free and calling card

3. Date of Proposed Transfer:

On or shortly before June 18, 2005, but not earlier than customers'
receipt of 30 days' prior notice.

4. Certification of Compliance with Customer Notice Requirements:

See Attachment A.

5. Copy of Customer Notice:

See Attachment B.

A duplicate original copy of this letter is enclosed, please date stamp this copy as acknowledgement of its receipt and return it. Questions regarding this filing may be directed to Jonathan S. Marashlian at the above address or by telephone at (703) 714-1313.

Respectfully submitted,



Jonathan S. Marashlian
Counsel for UCN, Inc.

Enclosures

cc: Michele Walters, Accounting Policy Division
Tracey Wilson-Parker, Wireline Competition Bureau

ATTACHMENT A

Certification of Compliance

CERTIFICATION

State of UTAH)
 SALT LAKE) ss.
County of USA)

I, Paul Jarman, hereby declare under penalty of perjury that:

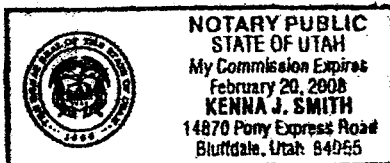
1. I am Chief Executive Officer and President of UCN, Inc. ("UCN");
2. I am authorized to make this declaration on its behalf;
3. UCN has and/or will comply with:
 - a. the requirement to provide advance subscriber notice in accordance with C.F.R. § 64.1120(e)(3);
 - b. the obligations specified in that notice; and
 - c. all statutory and Federal Communications Commission requirements applying to the streamlined procedures promulgated in CC Docket No. 00-257
4. The facts stated in the foregoing submission are true and correct to the best of my knowledge, information and belief.

By: _____

Paul Jarman
UCN, Inc.

Sworn and subscribed before me this 17 day of May, 2005.

My Commission Expires: _____



ATTACHMENT B

Customer Notices

[UCN LOGO]

[TEL AMERICA LOGO]

May __, 2005

XXXXXXXXXXXXXX
XXXXXXXXXXXXXX
XXXXXXXXXXXXXX

**** IMPORTANT NOTICE REGARDING YOUR LONG DISTANCE SERVICE ****

Dear Customer:

We have some exciting news to share with you regarding your Tel America long distance service!

UCN, Inc. ("UCN"), a national provider of long distance and advanced, on-demand, call handling services, has agreed to acquire some of the assets of Tel America.

Here are a few key pieces of information that answer some questions you may have:

- The transfer of ownership of your long distance account to UCN will not affect your rates or the terms and conditions of your service and you will not be responsible for any fees associated with the transfer. If your local carrier charges a carrier change fee, contact UCN at the toll-free number provided below and we will reimburse you.
- You will continue to receive the same quality customer service; Commercial accounts will continue to work with their same customer relations rep.
- UCN is a viable, publicly-held company. To learn more about UCN, please visit us at www.ucn.net.

Subject to obtaining regulatory approval, UCN and Tel America anticipate that the transfer of your account to UCN will occur in the near future, but not before June 18, 2005. While month-to-month customers have the right to select another long distance carrier for their service, we are confident that retaining service with UCN will be beneficial.

The combination of these two networks – UCN and Tel America - gives you the best of both worlds. You will continue to receive the same excellent customer support and reliable long distance service that you have grown accustomed to with Tel America. However, as a UCN commercial account customer, you will now have access to a new set of advanced contact handling services that are delivered over your existing dedicated or switched lines. Among the new features you will have access to are IVR, skills-based routing/ACD, the ability to integrate your customer database with your call handling application, inNetwork® on-hold instead of having to handle on-hold calls at your premises, and more. The UCN enhanced services are billed by-the-month, enabling you to scale your call handling capacity requirements up or down to meet your business needs.

UCN extends a warm welcome and is excited to have you as a customer. Our goal is to make this transition as seamless as possible. You will continue to work with the same support people and customer relations rep as you have in the past. You will continue to receive the same quality service that you have come to expect from Tel America. What has changed is that all commercial accounts will now have access to a whole new set of advanced call handling services, delivered over the network. We encourage you to contact your customer relations rep and ask about the new enhanced services.

Should you have any questions at all, please contact your customer relations rep at the usual phone number. If you do not have an assigned representative, or are unsure of that person's phone number, please contact the general Tel America / UCN customer support number at 800-748-4001.

Once more, welcome to UCN!

Warmest Regards,

Paul Jarman
President
UCN

Joseph D. Sail
President
Tel America

[UCN LOGO]

[EXPRESS TEL LOGO]

May __, 2005

XXXXXXXXXXXXXX
XXXXXXXXXXXXXX
XXXXXXXXXXXXXX

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Warmest Regards,

Paul Jarman
President
UCN

Joseph D. Sail
President
Express Tel

ATTACHMENT 2

[UCN LOGO]

[TEL AMERICA LOGO]

May __, 2005

XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXX

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Paul Jarman
President
UCN

Joseph D. Sail
President
Tel America

[UCN LOGO]

[EXPRESS TEL LOGO]

May __, 2005

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Warmest Regards,

Paul Jarman
President
UCN

Joseph D. Sail
President
Express Tel